

DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE  
WASHINGTON 25, D.C.



REPLY TO  
ATTN OF:

OSA-0058-66  
#A-6-66

SUBJECT:

REPLY TO:  
Audit Liaison Office  
P. O. Box 8155  
S. W. Station  
Washington, D. C.

TO:

24 January 1966

*Amended 16  
SP-1922*

SUBJECT: Report on Evaluation of Proposed Pricing Formula  
Lockheed Aircraft Corp.  
(Lockheed Aircraft Co.)  
Burbank, California  
Contract No. SP-1922  
Period: 1 July to 31 December 1965'

TO : Contracting Officer

REF : 14 December 65 Proposal

1. We have reviewed the contractor's records and our audit files to determine the reasonableness of the final rates proposed for the subject period.

2. The basic direct-labor hourly rates are concurred in by the auditor, and the overhead and G & A rates, as shown in the proposals, are those negotiated about 8 September 1965 for use only on service contracts.

3. As a result of our examination, the proposed rates are recommended for acceptance, subject to approval by the contracting officer of the 9.5% profit factor included.

*Arthur G. Hanley*

ARTHUR G. HANLEY

Acting Auditor General Representative (APL)

USAF review completed